



ORIGINAL

Federal Communications Commission
Washington, D.C. 20554

OCT 6 1998

100-5187
6-10-98

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OCT - 6 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable Phil Gramm
United States Senator
2323 Bryan Street, #2150
Dallas, Texas 75201

Dear Senator Gramm:

Thank you for your letter on behalf of your constituent, Keith L. Gillespie, regarding a line item that has been added by AT&T to his telephone bill to recover its contributions to the universal service support mechanisms.

On May 7, 1997, the Commission adopted a first Report and Order to implement the Federal-State Joint Board's recommendations on universal service as required by the Telecommunications Act of 1996 (1996 Act). The Commission established universal service support mechanisms that fulfill Congress's goal, as stated in Section 254 of the 1996 Act, of ensuring that affordable, quality telecommunications services are available to all American consumers, including low income consumers and those located in high cost, rural, and insular areas. In addition, these mechanisms implement Congress's mandate to ensure the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. These support systems also will link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access, through the telecommunications network, to the same advanced diagnostic and other medical services that are enjoyed in urban communities.

The 1996 Act requires all telecommunications carriers that provide interstate telecommunications services to contribute on an equitable and nondiscriminatory basis to universal service. The Commission implemented this statutory provision by requiring all such telecommunications carriers to contribute to the universal service support mechanisms. Neither Congress, nor the Commission, requires such carriers to pass this contribution on to their customers. To the contrary, carriers decide how and to what extent they recover their contributions. Carriers, however, may not mislead customers as to how they recover contributions and may only recover an equitable share from any particular customer.

The Commission is monitoring the universal service support mechanisms and their impact on telephone ratepayers. This issue will be carefully reviewed as the support mechanisms are administered.

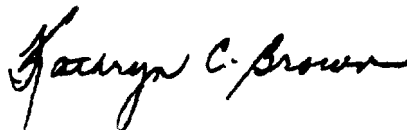
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List A B C D E

The Honorable Phil Gramm

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Your letter has been placed in the official public record of the universal service proceeding (CC Docket No. 96-45). I appreciate your interest and views on these important issues.

Sincerely,

A handwritten signature in cursive script that reads "Kathryn C. Brown". The signature is written in dark ink and is positioned above the printed name.

Kathryn C. Brown
Chief
Common Carrier Bureau

=====
Date: 08-11-98

Time: 12:03:11

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B.F. :

Bureau : CCB
Assigned To : TSTEVENS

Due : 98/09/08

Modified By : CCB

Author : Gramm, Phil
Organization : United States Senator
Address : 2323 Bryan Street, #2150

City/State/Zip : Dallas TX 75201

Constituent : K Gillespie

Subject : Universal Service, Schools, Libraries, etc

Signature : BUREAU CHIEF
=====

Phil Gramm
Texas

United States Senate

MEMORANDUM

Date: 7/21/98

Federal Communications Commission
Office of Congressional Affairs
1919 M Street, NW
Washington, DC 20554

A constituent has sent the enclosed communication. A response which addresses his/her concerns would be appreciated.

Please send your response, together with the constituent's correspondence, to the following address:

Office of Senator Phil Gramm
2323 Bryan Street, #2150
Dallas, Texas 75201

Attention: Robert Funk
(214) 767-3000
(214) 767-8754 (fax)

CCB
96-45

5987

JUL 20 1998

Keith L. Gillespie
6608 Kingswood Dr.
Fort Worth, TX 76133
July 18, 1998

Federal Communications Commission
Enforcement Div., Consumer Protection Branch
Mail Stop 1600A2
Washington D.C. 20554

Dear Sirs:

I am writing to protest a bill that I received from AT&T for a "National access contribution". AT&T tells me that you have directed them to collect this contribution for the purpose of providing funds for rural telephone service and school internet access.

Regardless of what you call the contribution it is still a tax and since the FCC is not a legislative body you do not have any taxing authority. While the funds may serve a useful purpose, the levying of this tax is taxation without representation because it was not authorized by Congress. We have already fought one war over that cause and when the American people realize what is being done there may be another war (in the courts). I can imagine some skilled attorney will be happy to file a class action suit for a contingency fee to recover phone customer losses.

I am sending a copy of this letter to my Congressman and Senators because I believe the matter needs Congressional attention. If money for rural phones and school internet access is needed, it should be debated in Congress, identified for what it is, (a welfare tax), and be put to a vote by Congress.

I am enclosing a copy of the AT&T bill in question, which I am paying under protest. You will notice that we did not make any long distance phone calls through AT&T and the only charges were for the National access contribution.

Sincerely,

Keith L. Gillespie

cc: Congressman Joe Barton
cc: Senator Phil Gramm ✓
cc: Senator Kay Bailey Hutchison
cc: AT&T

Your Monthly Statement

June 11-July 10, 1998



#8WNCJFM
#45151237829013# C 35528AV10 238B183A37404**5DGT



KEITH L GILLESPIE
6608 KINGSWOOD DR
FORT WORTH TX 76133-5215

Account 817 292-6443

Page 1 of 3

Customer Service: 1 800 222-0300

Text Phone (TTY): 1 800 833-3232

Summary of charges

Previous balance	0.00
Payments	0.00
National access contribution	1.78
Taxes and surcharges	0.18
Total amount due	\$1.96
Date due	August 4, 1998

Continues on back

Detach and return with payment

Please write your account number on your check or money order made payable to AT&T. Do not send cash. Do not staple this portion to your payment. Thank you.

Total amount due	\$1.96
Date due	August 4, 1998

Amount enclosed: \$



AT&T
PO BOX 8212
AURORA IL 60572-8212



KEITH L GILLESPIE
Jun 11-Jul 10, 1998

Account 817 292-6443 D



Moving? Check the box and
print new address on back.

45151237829010010000000000196000000019600000001965